

TOWN OF HARPSWELL
COMMUNICATIONS ADVISORY COMMITTEE
Meeting of June 18, 2009
Approved Minutes

Committee Members Present: Alan M. Shaver
 David I. Chipman

Absent: C.V. Noyes

Guest: Jay Somers
 Sr. Mgr., Government & Community Relations
 Comcast Cable

Town Staff Present: Kristi Eiane, Town Administrator
 Melissa Moretti, Recording Secretary

The meeting opened at 3:03 PM at the Harpswell Town Office, 263 Mountain Road, Harpswell, Maine.

The Minutes of the March 19, 2009 meeting were accepted.

Mr. Somers addressed a list of questions asked by the committee at the meeting held on June 2, 2009. [Notes were taken by the Chair, Alan Shaver; the Recording Secretary had been absent.]

Question #1 regarded how the fees were charged, and Mr. Somers said that they were charged only to the subscribers in Harpswell.

Question #2 regarded the current bandwidth of the existing system. Mr. Somers responded that Comcast currently had no plans to increase; however, there had been an increase for business class subscribers.

Question #3 asked why Harpswell could not be provided with the much publicized "Triple Play" package of services. Mr. Somers said that Harpswell presently had two of the three services, and that Comcast was "seriously looking to add the third." He explained that Freeport and Brunswick did not have Triple Play, but there was an area just beyond the New Hampshire border that had it. He said that it was a confusing issue for the public due to the marketing focus for Triple Play; it was assumed by the public that they would have access to the service if it was marketed in their area. Mr. Somers stated that the issue was being addressed with their marketing department.

Question #4 regarded a Comcast service map of the Harpswell area that could be used as an overlay. Mr. Somers stated that their maps were not electronic; they were in books.

Question #5 requested Comcast provide a calculation that addressed \$10,000 of "up front" payment. Mr. Somers read from a chart of calculations of Franchise Related Costs ("FRC") [which would be included along with the franchise fee]. Figures were addressed for five and ten-year commitments. He said that the FRC for five years would be \$.10/mo. per subscriber; for ten years, it would be \$.30/mo. per subscriber. It was pointed out by a Committee member that the

figures were actually 3.23 cents per subscriber for a 10 year period, and 6.47 cents per subscriber for a five year period; Mr. Somers acknowledged his misinformation.

Mr. Somers distributed a Memorandum from R. Kelly Myers, Director of Communications Research at Comcast that addressed key findings of a telephone survey of 225 randomly selected Harpswell residents regarding the locally provided communications services. He reviewed the findings stated with the committee, and clarified that the issue of Triple Play had not been addressed by the survey.

The question was asked again whether only the current Comcast subscribers should pay for the service with higher fees.

Mr. Somers said if the Town could agree on the \$50,000 access capital, Comcast could provide a draft of the boilerplate franchise agreement currently being created by the State.

Mr. Chipman showed Mr. Somers a list of roads being built that did not meet the extension policy. Mr. Somers asked him to send a list of homes to include and Comcast would get them surveyed. He did not know if Comcast served Hamilton Place, which would be 15 homes when completed.

Mr. Somers said that Harpswell was now “deregulated,” and explained that it was a market based term.

Mr. Chipman referred to the Minutes of March 19, 2009 and said that the local access television station (Channel 14) was not presently offered in high definition (“HD”), and that digital would cost more to provide. There was discussion of picture quality - HD vs. digital. Channel 14 is presently analog, and Mr. Chipman said that he wanted viewers in the lower tier to be able to get a “fairly high definition signal.” Mr. Somers said he would research an upgrade of the Channel 14 signal with Comcast’s technical advisors, and address the issue in the agreement.

Mr. Somers explained that all libraries and schools were provided free internet access by Comcast that was not a part of any license agreement. The Town of Harpswell and the Harpswell fire departments currently received free internet access; however, that service had been discontinued by Comcast in other communities. Mr. Somers said he would check into having those services addressed in the new agreement. He also intimated that the speed offered could possibly change in 2010, and reiterated that Channel 14 wanted faster speed in the near future and he would check in to addressing that in the new agreement.

Mr. Somers said he would e-mail Ms. Eiane a spreadsheet with revised financial information that used the Comcast subscriber base figure of 2,575 at the end of 2008, as mentioned in Comcast’s 2008 report (provided to the Committee at the meeting of June 2, 2009). He also mentioned that 11% interest annually was factored in.

It was clarified that there was a six month extension in place (until October 31, 2009).

Mr. Somers asked Mr. Chipman to send him a list of streets being built that the Town wanted included in the new agreement. He explained that Comcast would send someone out to survey and he would “price it out,” then send us a draft agreement – all of which would take some time. He estimated that a draft agreement could be provided by the end of the summer.

Mr. Somers said he would research new equipment for the schools, the Town and HCBC using

\$60,000 for 10 years.

Mr. Somers clarified with Ms. Eiane that franchise fees went into the Town's general fund. He asked if there was a possibility that the Town would be willing to contribute; the consensus of those present was "probably not."

Mr. Somers said he would send Ms. Eiane Comcast marketing/promotional materials focused on the Harpswell area as they came out, for informational purposes.

The meeting adjourned at 4:08 PM.

Respectfully submitted,

Melissa Moretti
Recording Secretary